compressors Ltd., Praga Tools Limited, Bharat Leather Corporation, National Industrial Development Corporation and Hindustan Insecticides Limited, files were returned to Department of Heavy Industries for lack of interest from bidders. Disinvestment process is continuing in other cases.

(c) In 31 public sector undertakings mentioned in reply to part (a) disinvestment is planned during the current financial year and progress is being made as per the set procedure.

(d) No, Sir.

(e) Decision to disinvest is based on considerations like classification of industry as strategic or non-strategic and not on considerations like profitability. Disinvestment in profitable or non-profitable public enterprise is aimed at optimal utilisation of capital, better corporate governance, reduction in commercial risk of tax-payers' money, release of scarce resources for deployment in social sectors like family welfare, health, education and other sectors of greater public interest. Therefore, both profit-making and loss-incurring enterprises are taken up for disinvestment.

Disinvestment of NALCO

446. DR. AKHILESH DAS: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether despite a request from the Government of Orissa, Government have decided to sell 30 per cent of shares of the National Aluminium Company;

(b) if so, the details of State Government's request and objections and the reasons for overlooking the same; and

(c) the progress made, so far, in disinvestment thereof alongwith the norms adopted in arriving at the decision to disinvest and the extent thereof?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) The Chief Minister of Orissa has written to the Prime Minister in respect of disinvestment in NALCO. He has highlighted, *inter alia,* the importance of NALCO its performance record and suggested that, on effeciency considerations. there is no reason at present to hasten the proces of privatization of NALCO. The Minister of disinvestment has replied to the Chief Minister conveying the decision of the Government for disinvestment in NALCO and explaining the rationale behind it. The decision

for disinvestment in NALCO has been taken in accordance with the declared policy of the Government for bringing down the Government equity to 26% or below in all non-strategic PSUs, in the generality of the cases. Decision to disinvest in NALCO has been taken after consideration of all relevant factors through prolonged inter-ministerial consultations. We will continue to interact closely with the Chief Minister and Government of Orissa as the process proceeds.

(c) The disinvestment process in NALCO has been initiated and is progressing well. The Global Coordinator-cum-Advisor and Joint Global Coordinator for assisting in the disinvestment process have been appointed. Out of 87.15% equity held by Government, the extent of disinvestment is 10% through domestic issue 20% through ADR and 29.15% through strategic sale, reducing Government equity to 26% after reserving 2% for employees.

Amendment in Companies Act, 1956

447. SHRI R. S. GAVAI: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that schedules in the Companies Act, 1956 have been amended for facilitating disinvestment in sectors such as coal, minerals, petroleum products and petro chemicals;

(b) if so, the details thereof;

(c) the progress made in dinvestment process in these fields;

(d) the proposals in hand for disinvestment in these fields; and

(e) the time by which the processes would be completed?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) ad (b) Schedule XV of the companies Act, 1956 has been amended *vide* Department of company Affairs notification dated 21-9-2001 omitting the serial numbers 3. "Coal and Lignite", 4. "Mineral Oils", 5. "Mining of iron ore, manganese ore, chrome-ore, gypsum, sulphur, gold and diamond" and 6. "Mining of copper, lead, zinc, tin, molybdenum and wolfram" and entries relating thereto.

(c) to (e) Disinvestment of 26% equity in Hindustan Zinc Ltd., 26% equity in Indian Petro-Chemicals Corporation Ltd. and 33.9% equity in IBP Ltd. has been completed. The disinvestment process in Hindustan